



**SCOTTSDALE TOURISM DEVELOPMENT COMMISSION
7575 EAST MAIN STREET, SCOTTSDALE, ARIZONA
PINNACLE CONFERENCE ROOM
JANUARY 21, 2003
MINUTES**

PRESENT: Don Bomer, Chairman
Tom Morrow, Vice Chairman
Jose Catalan, Commissioner
Tom Curley, Commissioner
Shaun Robinson, Commissioner
Sally Shaffer, Commissioner
Ned Sickie, Commissioner

STAFF: Kathy Montalvo
David Roderique
Kathy O'Connor

OTHERS PRESENT FOR ALL OR PORTIONS OF THE MEETING:

Brent DeRadd
Kathy Duley
Dwayne Richardson
Kristi Miller
Rachel Sacco
Mary Brown
Jim Brown
Jim Tyssling
Mimi Tyssling
Amber Glick
Celeste Winters
Tony Gardela
George Owen

CALL TO ORDER

Chairman Bomer called the regular meeting of the Scottsdale Tourism Development Commission to order at 8:00 a.m.

ROLL CALL

A formal roll call confirmed members present as stated above.

APPROVAL OF MINUTES

Vice Chairman Morrow requested a correction to the January 14, 2003 minutes on Page 5, under the motion that reads:

VICE CHAIRMAN MORROW MOVED THAT THE TOURISM DEVELOPMENT COMMISSION RECOMMEND TO THE CITY COUNCIL THAT NO ADDITIONAL BED TAX FUNDS EITHER IN CASH OR DEBT SERVICE SHOULD BE USED FOR THE WATERFRONT PROJECT.

Should be amended to read:

VICE CHAIRMAN MORROW MOVED THAT THE TOURISM DEVELOPMENT COMMISSION RECOMMEND TO THE CITY COUNCIL THAT NO ADDITIONAL BED TAX FUNDS EITHER IN CASH OR DEBT SERVICE SHOULD BE USED FOR THE CANAL BANK AND OR WATERFRONT PROJECT.

A MOTION WAS MADE BY COMMISSIONER CURLEY TO APPROVE THE MINUTES OF THE JANUARY 14, 2003 MEETINGS MINUTES AS AMENDED. THE MOTION WAS SECONDED BY COMMISSIONER SHAFFER AND PASSED UNANIMOUSLY.

SCOTTSDALE CONVENTION & VISITORS BUREAU UPDATE

Ms. Sacco discussed the CVB's sales and marketing plan. She reported their salespeople are making good use of the funds and they are seeing a good return on the investment back to the city. She reported Culture Quest is in full swing. She further reported they have received a tremendous amount of support.

Ms. Sacco stated they would be moved into their new facility by March 1, 2003. Commissioner Catalan commented there were some discussions regarding using some of the space at the new facility for the Downtown Partnership office. He inquired what has

been the outcome of those discussions. Ms. Sacco replied the outcome from their Executive Committee is that once they have moved in they would make that decision.

Chairman Bomer inquired if Ms. Sacco had any sense regarding how the season is progressing. Ms. Sacco replied they are strenuously working on group bookings. She noted some properties have had some indications that the season would be okay while others are reported it is flat to last year.

Ms. Sacco reported she met a gentleman who books meetings and he indicated that this was the first time he had ever considered Scottsdale because he had assumed it would not be an affordable option.

SIGNATURE EVENT PROPOSALS

Ms. O'Connor stated all of the commissioners have submitted their point total evaluations and that information has been tabulated and everyone should have a copy. She further stated the Commission would be hearing presentations from the event promoters.

Chairman Bomer requested the event promoters limit their presentations to five minutes. He reported there are a few events that are not being represented this morning but that does not mean the Commission won't be considering those events for funding.

Mimi Tyssling, Fiesta Cluster Dog Show, stated this is a three-day all breed show that features three venues. She further stated they expect 3,000 dogs at this venue. This is the largest dog show in the southwest. She reported on how this event would enhance the destination. She further reported the dogs come from all over the world. She discussed the dog publications they advertise in. She noted the American Kennel Club did an economic study on the impact of a dog show on the community and a three-day dog show brings \$100,000 to the community in just shopping and gas. She reported they have agreements with nine hotels in Scottsdale. They have already booked 150 room nights.

Jim Tyssling, Fiesta Cluster Dog Show, provided information on the advertising for this event. He reported they would bring in 200 judges and 200 vendors. He further reported these people do spend dollars in the community.

Chairman Bomer reported the City is faced with budget short falls and the bed tax shortfall is in excess of \$200,000 this year and going forward they are looking at shortfall of close to a million dollars a year. He further reported they have a budget to balance just like everyone else.

Ms. O'Connor reviewed the point totals for this event. The total points are 28 out of 100. All seven of the Commission members felt this event was not appropriate for Signature Event funding.

Commissioner Catalan reported the Commission has agreed to only fund 80 percent of the existing Signature Events at the historical levels. He further reported based on that he does not see how they could even consider funding the Fiesta Cluster Dog Show. It is not based on whether this event is deserving it is just a bad year to be looking at additional funding.

VICE CHAIRMAN MORROW MOVED TO DENY FUNDING FOR THE FIESTA CLUSTER DOG SHOW. SECOND BY COMMISSIONER CURLEY AND PASSED UNANIMOUSLY.

Chairman Bomer reported there is not a representative from the Arizona Sun Country Quarter Horse Show.

Ms. O'Connor reviewed the point totals for this event. The total points are 53. The funding level at 80 percent would be \$12,624.00.

COMMISSIONER CATALAN MOVED TO APPROVE FUNDING FOR THE ARIZONA SUN COUNTRY QUARTER HORSE SHOW IN THE AMOUNT OF \$12,624.00 ASSUMING THEY MEET ALL OF THE FUNDING CRITERIA. SECOND BY VICE CHAIRMAN MORROW AND PASSED UNANIMOUSLY.

Kathy Duley, Scottsdale Art Walks, stated the funding they have received from the Commission has allowed them to promote the Art Walks. They are tying this event with Culture Quest to make it a strong draw for tourism. She further stated they have been compared to in various publications to New York and Santa Fe. She reported the season has started off strong and the art walks have been well attended. She provided an overview of the advertising that is being done for this event. She noted the Art Walks go on all summer long and provide a reason for the tourists to come downtown.

Ms. O'Connor reviewed the point totals for this event. The total point score is 82 out of 100. The funding level at 80 percent would be \$20,000.00.

Chairman Bomer stated it is important to remember that \$229,000 is allocated for marketing the Signature Events through the CVB.

Commissioner Catalan stated he is torn regarding allocating the equal amounts to this event as for example Barrett Jackson because this event has potential to have more impact because it goes on all year. He further stated the Commission might want to consider allocating a greater amount than 80 percent to the Art Walks and perhaps reducing the amount of funding going to someone like Barrett Jackson.

Commissioner Shaffer inquired about the total advertising budget for the Art Walks. Ms. Duley replied it is around \$20,000.00. She noted they operate on a shoestring budget.

COMMISSIONER CURLEY MOVED TO APPROVE FUNDING FOR THE SCOTTSDALE ART WALKS IN THE AMOUNT OF \$20,000.00. SECOND BY VICE CHAIRMAN MORROW AND PASSED UNANIMOUSLY.

Amber Glick, IMG Men's and Women's Tennis, stated they have two professional tennis tournaments planned that would feature the top name players. She further stated this event would generate 1500 room nights over a two-week period. She provided information on their marketing efforts. She commented on the popularity of women's tennis so they are looking to exceed the attendance numbers they have had in the past.

Commissioner Sickle inquired what this event would do differently if they did not receive the funding. Ms. Glick reported that additional funding would allow them to have additional advertising in different cities and advertise in different tennis publications.

Ms. O'Connor reviewed the point totals for this event. The total point score is 71 out of 100. The funding level at 80 percent would be \$16,560.00.

VICE CHAIRMAN MORROW MOVED TO APPROVE FUNDING FOR THE IMG MEN'S AND WOMEN'S TENNIS TOURNAMENTS IN THE AMOUNT OF \$16, 560.00. SECOND BY COMMISSIONER CURLEY AND PASSED UNANIMOUSLY.

Mary Brown, Festival of the West, reported they do a tremendous amount of advertising. She further reported their logo is easily recognized. She noted it is one of the top western events in the country. She further noted the hotels are always filled during this event.

Celeste Winters provided an overview of the advertising that is done for Festival of the West.

Vice Chairman Morrow congratulated Mary Brown on the excellent marketing program they have put together.

Commissioner Catalan remarked as they look at future funding for signature events they will be looking to fund more events during off-season. He further remarked the Festival of the West is during the peak season. Ms. Brown stated their event is entirely an outdoor event so they could not hold it much later than April because the weather would be too warm. Commissioner Sickle stated he would like to echo Commissioner Catalan's statement. He further stated if they could even consider moving the event to April because their event occurs during Spring training. Mr. Brown noted all of the Signature Events are held during the peak season. Chairman Bomer stated that is something the Commission will be seriously looking at.

Ms. O'Connor reviewed the point totals for this event. The total point score is 56 out of 100. The funding level at 80 percent would be \$12,432.00.

COMMISSIONER ROBINSON MOVED TO APPROVE FUNDING FOR THE FESTIVAL OF THE WEST IN THE AMOUNT OF \$12,432.00. SECOND BY COMMISSIONER CURLEY AND PASSED UNANIMOUSLY.

Tony Gardela, Parada Del Sol, stated this is the 50th anniversary of this event. He further stated they really appreciate the funding they have received in the past. He reported they have increased the advertising just for the 50th anniversary. He further reported the funding they receive goes into the advertising budget.

Ms. O'Connor reviewed the point totals for this event. The total point score is 55 out of 100. The funding level at 80 percent would be \$12,144.00.

COMMISSIONER SHAFFER MOVED TO APPROVE FUNDING FOR THE PARADA DEL SOL IN THE AMOUNT OF \$12, 144.00. SECOND BY COMMISSIONER CATALAN AND PASSED UNANIMOUSLY.

Chairman Bomer noted there was not a representative from the Arabian Horse Show.

Ms. O'Connor reviewed the point totals for this event. The total point score is 85 out of 100. The funding level at 80 percent would be \$20,000.00.

VICE CHAIRMAN MORROW MOVED TO APPROVE FUNDING FOR THE ARABIAN HORSE SHOW IN THE AMOUNT OF \$20,000.00. SECOND BY COMMISSIONER CURLEY AND PASSED UNANIMOUSLY.

George Owen, Culinary Festival, stated this is the 25th anniversary of the Culinary Festival. He provided an overview of the two festival events. He further stated they hired a PR firm to assist them this year. He noted this event is held toward the end of the tourist season. He further noted they appreciate the support.

Ms. O'Connor reviewed the point totals for this event. The total point score is 64 out of 100. The funding level at 80 percent would be \$15,312.00.

COMMISSIONER CURLEY MOVED TO APPROVE FUNDING FOR THE CULINARY FESTIVAL IN THE AMOUNT OF \$15,312.00. SECOND BY COMMISSIONER SHAFFER AND PASSED UNANIMOUSLY.

Chairman Bomer stated there is not a representative from the Thunderbird Balloon Classic.

A Commissioner inquired if the Thunderbird Balloon Classic intended to move their event out of Scottsdale.

Ms. O'Connor stated the Thunderbird Balloon Classic is looking to expand their event and they have discussed moving the event to Glendale. She further stated nothing has

been finalized and the decision would not be made until after March 1st. She reported the event has already taken place this year. A discussion ensued regarding the possibility of funding this event contingent that it is held here next year.

COMMISSIONER SICKLE MOVED TO APPROVE FUNDING FOR THE THUNDERBIRD BALLOON CLASSIC IN THE AMOUNT OF \$15,216.00 CONTINGENT THAT THE EVENT IS HELD IN SCOTTSDALE NEXT YEAR. SECOND BY VICE CHAIRMAN MORROW.

Commissioner Curley stated he is not sure if that is fair to add additional stipulations to this event since the event has already occurred and the expectation has already been established that they would receive funding.

THE MOTION FAILED BY A VOTE OF THREE TO FOUR WITH COMMISSIONER CATALAN, ROBINSON, CURLEY, AND CHAIRMAN BOMER DISSENTING.

COMMISSIONER ROBINSON MOVED TO APPROVE FUNDING FOR THE THUNDERBIRD BALLOON CLASSIC IN THE AMOUNT OF \$15,216.00. SECOND BY COMMISSIONER CATALAN AND PASSED UNANIMOUSLY.

Chairman Bomer stated there is not a representative from Barrett Jackson.

Ms. O'Connor reviewed the point totals for this event. The total point score is 92 out of 100. The funding level at 80 percent would be \$20,000.00.

COMMISSIONER CATALAN MOVED TO APPROVE FUNDING FOR THE BARRETT JACKSON IN THE AMOUNT OF \$20,000.00. SECOND BY COMMISSIONER SHAFFER AND PASSED UNANIMOUSLY.

ADMINISTRATOR'S REPORT

Ms. O'Connor reviewed future agenda items. At a future meeting, the Commission will hear an update on the Loloma Museum, Scottsdale Convention & Visitor's Bureau budget, and the WestWorld Master Plan. In addition, the Commission will review future funding for Signature Events in the Spring.

Brent DeRaad stated the CVB is looking to partner with the Arizona Office of Tourism,, the Tempe Convention & Visitor's Bureau and the Phoenix Convention & Visitor's Bureau to stage the Arizona Rock n' Roll Marathon. The event would be held on January 11, 2004. He reported this event would provide national exposure. They are guaranteed 20,000 out-of-state runners and travel parties. Ms. Sacco stated this is a huge event for marathon runners.

Mr. DeRaad reviewed the race route. He reported the race would start at the State Capitol and finish at Tempe Town Lake. He reported three of the miles would be through Scottsdale.

Chairman Bomer inquired if they would be coming to the Commission requesting funding for this event. Ms. Sacco stated they would love to request funding but they understand the decline in the bed tax may not make that possible. It was noted as the event becomes established, they would need less support.

Commissioner Catalan inquired where the race route would be in Scottsdale. Mr. DeRaad reported the runners would enter Scottsdale on 64th Street and would go up McDowell Road.

Chairman Bomer stated he would commend the CVB for wanting to partner with this event.

The Commission continued their discussion from last week's meeting regarding whether bonding was anticipated for Taliesin project.

Ms. O'Connor reminded the Commission in order to issue a bond it would have to include the Waterfront project, Loloma Museum and Taliesin projects. She reported as part of the Council Report Financial Services is recommending a bond be issued for those three projects. Taliesin cannot be bonded separately.

The Commission discussed the importance of the City Council being made aware of the motion at last week's meeting recommending that no additional bed tax funds either in cash or debt service should be used for the canal bank or Waterfront Project. The Commission expressed their concern that their message is not getting across. They suggested sending a letter to the City Council stating that it does not appear that the Waterfront project will be the tourism driver that was originally planned so other funding sources should be looked at.

Commissioner Robinson stated he would suggest in the future they look at providing high point scores to signature events that occur during the off season. Chairman Bomer remarked that was the original intent.

PUBLIC COMMENT

Dwayne Richardson, Downtown Partnership, reported one of the stipulations in the contract for Signature Events is that they provide booth space to promote the City of Scottsdale. The booth is staffed entirely by volunteers. He further stated at the Commission retreat they discussed increasing that booth space in order to promote the City of Scottsdale.

Kathy Duley commented on the challenges of shifting signature events to off season. She further commented it could cause the demise of an event.

Commissioner Shaffer stated she would agree it would be difficult to switch an event from March to July but they could switch to an off weekend.

Chairman Bomer requested Ms. Montalvo put together the Commission phone list.

ADJOURNMENT

There being no further business to come before the Commission, being duly moved and seconded, the meeting was adjourned at 10:00 a.m.

Respectfully submitted,

“For the Record” Court Reporters.